



Notice is hereby given that a meeting of the Te Anau Basin Water Supply Subcommittee will be held on:

Date: 25 September 2025
Time: 11.30am
Meeting room: Southland District Council Te Anau Office
Venue: 116 Town Centre
Te Anau

Te Anau Basin Water Supply Subcommittee Agenda OPEN

MEMBERSHIP

Chairperson Keith Thompson
Members Shane Buchanan
Graham Johnston
Rex Millar
Andrew Taberner
Luke Thomas

IN ATTENDANCE

| | |
|------------------------------------------|---------------|
| Committee advisor | Rachael Poole |
| Strategic manager water and waste | Grant Isaacs |
| Senior finance business partner | Lesley Smith |
| Manager operations and planning | Geoff Gray |

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Full agendas are available on Council's website
www.southlanddc.govt.nz

Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.

Health and safety

Toilets – The location of the toilets will be advised at the meeting.

Earthquake – Drop, cover and hold applies in this situation and, if necessary, once the shaking has stopped we will evacuate the building to a safe location.

Evacuation – Should there be an evacuation for any reason please exit via the exits indicated at the venue.

Phones – Please turn your mobile devices to silent mode.

Terms of Reference – Water Supply Subcommittees– Te Anau Basin, Five Rivers, Matuku

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|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TYPE OF COMMITTEE | Subcommittee |
| SUBORDINATE TO | Fiordland and Northern community board |
| LEGISLATIVE BASIS | Subcommittees delegated powers by Council as per schedule 7, clause 32, LGA 2002. |
| MEMBERSHIP | <p>Te Anau Basin Water Supply subcommittee (Fiordland community board)</p> <p>The total membership of the Te Anau Basin Water Supply subcommittee will be nine. Membership of the subcommittee shall be determined by an election at a triennial public meeting.</p> <p>The subcommittee representation shall comprise:</p> <ul style="list-style-type: none"> • a water supply consumer from each of the following areas: <ul style="list-style-type: none"> – Duncraigen – Homestead – Kakapo – Mt York – Princhester – Ramparts – Takitimu • two representatives appointed by Landcorp. <p>Matuku Water Supply Subcommittee (Northern community board)</p> <p>The total membership of the Matuku Water Supply Subcommittee will be six plus a councillor.</p> <p>The chairperson shall be elected by the vote of the subcommittee.</p> <p>Five Rivers Water Supply Subcommittee (Northern community board)</p> <p>The total membership of the Five Rivers Water Supply Subcommittee will be six members plus a councillor.</p> <p>The chairperson shall be elected by the vote of the subcommittee.</p> |
| QUORUM | <p>Te Anau Basin Water Supply Subcommittee – 5</p> <p>Matuku Water Supply Subcommittee – 4</p> <p>Five Rivers Water Supply Subcommittee – 4</p> |
| FREQUENCY OF MEETINGS | <p>Te Anau Basin Water Supply Subcommittee</p> <p>Three meetings per annum or as required.</p> <p>Matuku Water Supply and Five Rivers Water Supply Subcommittee</p> <p>One meeting per annum or as required.</p> |
| SCOPE OF ACTIVITIES | The activity of Southland District Council's Water Supply Subcommittees is framed by Council policies and plans. The responsibilities of these water supply subcommittees include: |

| | |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> • providing feedback to Council officers on relevant plans and strategies (including asset management plans) • receiving operational and financial reports • community engagement and representing community views to Council. |
| DELEGATIONS | <p>Power to Act</p> <p>The Te Anau Basin, Matuku and Five Rivers Water Supply Subcommittees shall have the following delegated powers and be accountable to the relevant community board for the exercising of these powers:</p> <ul style="list-style-type: none"> (a) power to recommend the annual budget relating to the relevant water supply scheme (b) power to approve expenditure outside Council's authorised officer levels but within the budget of the water supply schemes. All decisions to approve expenditure outside Council's authorised officer levels must be made by way of a resolution at a meeting of the water supply subcommittees. Any such decisions must be reflected in the minutes of the meeting (c) power to approve new connections to the relevant water supply scheme (d) power to approve expenditure outside of the relevant annual budget for emergency works (e) policies relating to water schemes. <p>In addition to the power to approve expenditure outside of the relevant annual budget for emergency works, this committee can also recommend unbudgeted expenditure to the relevant Community board and Council for approval.</p> |

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1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of interest

Committee members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Extraordinary/urgent items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the chairperson must advise:

- (i) the reason why the item was not on the agenda, and
- (ii) the reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

5 Confirmation of minutes

5.1 Meeting minutes of Te Anau Basin Water Supply Subcommittee, 13 March 2025

6 Public participation

Notification to speak is required by 12noon at least one clear day before the meeting. Further information is available at www.southlanddc.govt.nz or by phoning 0800 732 732.



Te Anau Basin Water Supply Subcommittee

OPEN MINUTES

UNCONFIRMED

Minutes of a meeting of Te Anau Basin Water Supply Subcommittee held in the Southland District Council Te Anau Office, 116 Town Centre, Te Anau on 13 March 2025 at 11:33am. (11.33am – 12 noon)

PRESENT

Chairperson **Members**

Keith Thompson
Shane Buchanan
Graham Johnston
Rex Millar
Luke Thomas
Luke Wright (Pamu representative)

APOLOGIES

Andrew Taberner

IN ATTENDANCE

Committee advisor **Strategic manager water and waste** **Senior finance business partner** **Manager operations and planning**

Rachael Poole
Grant Isaacs
Lesley Smith
Geoff Gray

1 Apologies

There was an apology for non-attendance from Andrew Taberner.

Moved Member Buchanan, seconded member Millar and **resolved:**

That the Te Anau Basin Water Supply Subcommittee accept the apology.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of interest

There were no conflicts of interest declared.

4 Extraordinary/urgent items

There were no extraordinary/urgent items.

5 Confirmation of minutes

Resolution

Moved member Johnston, seconded member Millar **and resolved:**

That the Te Anau Basin Water Supply Subcommittee confirms the minutes of the meeting held on 13 December 2024 as a true and correct record of that meeting.

6 Public participation

There was no public participation.

Reports

7.1 Report for the period ended 31 January 2025

Record No: R/25/2/8348

Strategic manager water and waste, Grant Isaacs and senior finance business partner, Lesley Smith took the subcommittee through the report.

Resolution

Moved member Johnston, seconded Luke Thomas **and resolved:**

That the Te Anau Basin Water Supply Subcommittee:

- **Receives the report titled "Report for the period ended 31 January 2025" dated 6 March 2025.**

The meeting concluded at 11.59am

Confirmed as a true and correct record of a meeting of the Te Anau Basin Water Supply Subcommittee held on 13 March 2025.

DATE:

CHAIRPERSON:

Report for the period ended 30 June 2025

Record No: R/25/9/46028
Author: Geoff Gray, Manager operations and programming
Approved by: Fran Mikulicic, Group manager infrastructure and capital delivery

☐ Decision ☐ Recommendation ☒ Information

Water and waste engineer's report

Downer operations for period to 30 June 2025

- 1 The table below shows all of the projects for Te Anau Basin rural water supply in 2024/2025.

| Project name | Type | Year | Budget | Staff comments |
|----------------------------------------------|------|-----------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mt York rural consent renewal preparation | LOS | 2024/2025 | \$51,750 | Design/consenting Work is progressing well on the consent renewal; this is planned for completion in 2026. |
| Takitimu rural consent renewal preparation | LOS | 2024/2025 | \$51,750 | Design/consenting Work is progressing well on the consent renewal; this is planned for completion in 2026. |
| Te Anau rural water scheme audit inspections | LOS | 2024/2025 | \$500,000 | Completed Physical work has been completed on the Kakapo network audit, with the data in the final stages of being uploaded into Council's GIS system. This project has been a success with the identification of approximately 21 kilometres of additional network on the Kakapo network. This included the identification of 16 significant leaks found and fixed 14 isolated valves found 9 illegal connections |

| | | | | |
|--------------------------------------------------|--|---------------------------------------------------------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | <p>6 ratable properties not being rated currently</p> <p>3 supply tanks identified that were unknown to Council</p> <p>Now Council has accurate asset data, rates will be updated, and data integration will be undertaken to confirm all lines identified within the audit are Council owned and not private services.</p> |
| Homestead rural – raw water intake upgrade | | 2024/2025 | | Completed |
| Takitimu rural – switchboard, pumps and new bore | | 2024/2025 (brought forward from 2025/2026 via forecasting) | \$214,225 | <p>The switch board has been manufactured and will be installed when the new bore is constructed. Council still has not obtained land access to the Takitimu scheme, discussions are progressing with the property owner's lawyer currently. The plan is to construct a new bore on this site late 2025 or early 2026 once access has been granted.</p> |

Ramparts 2025/2026 audit

Following on from the success of the Kakapo audit, Council would like to propose the Committee agree to conduct a similar audit on the Ramparts rural water scheme, it is expected to produce similar benefits of asset identification, leak identification and illegal connections.

Takitimu update

- 2 The new bore is programmed to be installed prior to the end of summer, and we are purchasing a new pump for this bore.
- 3 The existing bore's pump should be satisfactory when using both bores in tandem.

Financial considerations

- 4 These are detailed in attachment A.

Recommendation

That the Te Anau Basin Water Supply Subcommittee:

- **Receives the report titled “Report for the period ended 30 June 2025” dated 22 September 2025.**

Attachments

A Te Anau Basin Water Supply financial considerations



Te Anau Rural Water Supply

Draft Financial report for year ended 30 June 2025

Introduction

This report provides a detailed breakdown of the water supply financial information for the period ended 30 June 2025. It shows the financial results for the water supply at 30 June 2025, including income, operating expenses (opex), capital expenses (capex), loans and projects (including carry forward expenditure). Noting that the audit for the financial year is still in progress and the below results may change.

The financial statements in this report show for income, operating expenses and capital expenses:

- ▶ what has actually happened during the year (“**Actual**”)
- ▶ what was expected to occur during the year (“**Projection**”)
- ▶ the difference between the actual and projection (“**Variance (Act v Prjn)**”)
- ▶ what was included in the original annual plan budget (“**AP Budget**”)

| Income | | | | Operating expenses | | | | Capital expenses | | | |
|--------|------------|--------------------------|-----------|--------------------|------------|--------------------------|-----------|------------------|------------|--------------------------|-----------|
| Actual | Projection | Variance (Act v Prjn) | AP Budget | Actual | Projection | Variance (Act v Prjn) | AP Budget | Actual | Projection | Variance (Act v Prjn) | AP Budget |

▶ “**Projection**” figures include the original Annual Plan 2024/2025 budget (AP Budget) adjusted for:

- any expenditure carried forward from the prior year (2023/2024) approved by Council (Sep 2024)
- any unbudgeted expenditure approved by the committee or Council during the financial year

“**AP Budget**” data shows the original Annual Plan (AP) budget for 2024/2025 excluding the projection adjustments noted above.

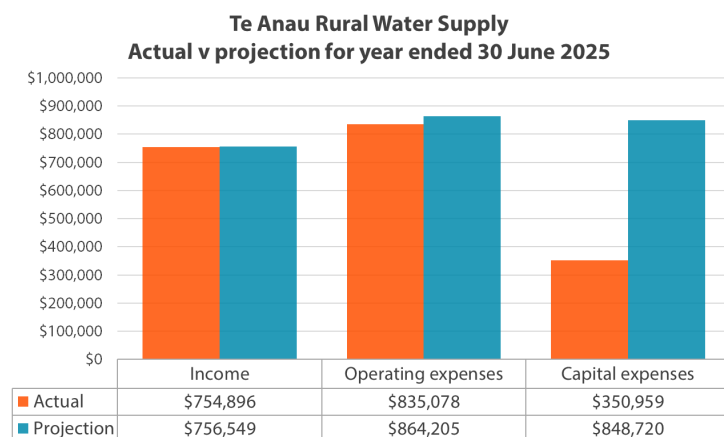
Significant variances between the “Actual” financial information and “Projection” are explained. Variances in red text with brackets **(\$4,500)** indicate a variance where the actuals are less than projection.

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1. Financial breakdown for Te Anau Rural Water Supply

The table and graph provides an overview of the financials for the water supply business units – showing income, operating expenses and capital expenses. “Total” shows the overall financial results for all along with “Actual v Projection (%)” variance. The key reasons for these variances are explained.

| Te Anau Rural Water Supply - Business Units for the year ended 30 June 2025 | | | | | | | | | | | | |
|-----------------------------------------------------------------------------|------------------|------------------|-----------------------|------------------|--------------------|------------------|-----------------------|------------------|------------------|------------------|-----------------------|------------------|
| Business Unit | Income | | | | Operating expenses | | | | Capital expenses | | | |
| | Actual | Projection | Variance (Act v Prjn) | AP Budget | Actual | Projection | Variance (Act v Prjn) | AP Budget | Actual | Projection | Variance (Act v Prjn) | AP Budget |
| Water Supply Overheads | \$343,659 | \$344,411 | (\$752) | \$344,411 | \$574,779 | \$451,896 | \$122,883 | \$451,896 | \$307,372 | \$500,000 | (\$192,628) | \$500,000 |
| Water Supply Ramparts | \$103,911 | \$104,138 | (\$227) | \$104,138 | \$78,709 | \$104,327 | (\$25,618) | \$104,138 | | | | |
| Water Supply Mount York | \$55,466 | \$55,587 | (\$121) | \$55,587 | \$34,081 | \$55,775 | (\$21,694) | \$55,587 | | \$51,750 | (\$51,750) | \$51,750 |
| Water Supply Takitimu | \$70,162 | \$70,316 | (\$154) | \$70,316 | \$44,215 | \$70,485 | (\$26,270) | \$70,316 | \$12,593 | \$265,975 | (\$253,382) | \$51,750 |
| Water Supply Kakapo | \$93,193 | \$93,397 | (\$204) | \$93,397 | \$48,911 | \$92,743 | (\$43,832) | \$93,397 | | | | |
| Water Supply Homestead | \$41,318 | \$41,408 | (\$90) | \$41,408 | \$25,814 | \$41,541 | (\$15,727) | \$41,408 | \$30,995 | \$30,995 | | \$30,995 |
| Water Supply Princhester | \$27,657 | \$27,718 | (\$61) | \$27,718 | \$16,631 | \$27,776 | (\$11,145) | \$27,718 | | | | |
| Water Supply - Duncraigen | \$19,531 | \$19,574 | (\$43) | \$19,574 | \$11,937 | \$19,662 | (\$7,725) | \$19,574 | | | | |
| Total | \$754,896 | \$756,549 | (\$1,653) | \$756,549 | \$835,078 | \$864,205 | (\$29,127) | \$864,034 | \$350,959 | \$848,720 | (\$497,761) | \$634,495 |
| | | | (0%) | | | | (3%) | | | | (59%) | |



Income was as projected.

Operating expenses are \$29k (3%) lower than projected. Maintenance costs are \$7K higher than projected (see below), along with monitoring costs for Ramparts which are \$15K higher than budget. This is offset by lower electricity costs \$11K with the main variance on the Kakapo scheme. Depreciation is \$35K lower than budget due to lower capital work in the previous year.

Capital expenses were \$498k (59%) lower than projection. There have been no costs incurred to date on the consent renewal preparation for Mt York and only \$2K on Takitimu, these projects have been carried forward to 2025/2026. The Homestead Rural raw water intake upgrade has been completed on budget. The audit for the Kakapo rural scheme costs for the year were below budget. The Takitimu switchboard and pump replacement project was brought forward to 2024/2025 during forecasting with work commencing on this in the financial year with the remainder carried forward to 2025/2026 to be completed.

2. Maintenance Costs

A new operations and maintenance contract started in July 2023 which included a number of structure changes from the previous contract. Under the prior contract (10/01) there was a set percentage of the contract cost allocated as a fixed amount to each scheme with reactive work over \$5,000 being charged separately. Now, under the new contract, each job undertaken by Downer is assigned to a work order which is attached to a scheme. This more accurately reflects the maintenance costs associated with each scheme.

However, when the long term plan budgets were prepared, the routine maintenance budgets were based on the old contract allocation method to each of the individual scheme business units whereas the actual costs have been allocated to the overhead business unit. The table below shows the maintenance costs broken down by scheme.

| Business Unit | Description | Actual to 30/06/2025 | Budget to 30/06/2025 | AP Budget | Actual to 30/6/2024 |
|---------------------------|----------------------|----------------------|----------------------|------------------|---------------------|
| Water Supply Overheads | Lump Sum Routine | \$98,794 | \$50,000 | \$50,000 | \$150,298 |
| Water Supply Ramparts | Reactive maintenance | \$19,899 | \$44,000 | \$44,000 | \$5,645 |
| Water Supply Mount York | Reactive maintenance | \$7,465 | \$19,000 | \$19,000 | \$12,390 |
| Water Supply Takitimu | Reactive maintenance | \$31,804 | \$23,805 | \$23,805 | \$37,499 |
| Water Supply Kakapo | Reactive maintenance | \$27,758 | \$35,700 | \$35,700 | \$33,737 |
| Water Supply Homestead | Reactive maintenance | \$22,250 | \$15,525 | \$15,525 | \$6,910 |
| Water Supply Princhester | Reactive maintenance | \$4,412 | \$12,000 | \$12,000 | \$2,669 |
| Water Supply - Duncraigen | Reactive maintenance | \$1,090 | \$6,700 | \$6,700 | \$1,496 |
| Total | | \$213,472 | \$206,730 | \$206,730 | \$250,644 |

3. Projects for 2024/2025

The following projects were planned to be undertaken in the Te Anau Basin water supply scheme in the 2024/2025 year. The table below outlines the status of the projects at 30 June 2025 and the costs incurred to date, compared to the budget.

| Activity | Name | Status | 2024/2025 Actual | 2024/2025 Projection | 2024/2025 Budget | Carry Forward to 2025/2026 |
|--------------|----------------------------------------------------------------------------------|-------------|------------------|----------------------|------------------|----------------------------|
| Water Supply | P-10501 Mt York Rural Water Supply – Consent Renewal Preparation | In Progress | \$- | \$51,750 | \$51,750 | \$51,750 |
| Water Supply | P-10515 Takitimu Rural Water Supply – Consent Renewal Preparation | In Progress | \$1,664 | \$51,750 | \$51,750 | \$50,086 |
| Water Supply | P-11223 Te Anau Rural Water Supply - Scheme audit | In Progress | \$307,372 | \$500,00 | \$500,000 | \$192,628 |
| Water Supply | P-11224 Homestead Rural Water Supply – Homestead intake modifications | Completed | \$30,995 | \$30,995 | \$30,995 | \$0 |
| Water Supply | P-10514 Te Anau Rural Water Takitimu Scheme - Switchboard and pumps and New Bore | In Progress | \$10,928 | \$214,225 | \$0 | \$203,297 |
| Total | | | \$350,959 | \$848,720 | \$634,495 | \$497,761 |

4. Current loans

The table below details the loans for the water supply as at 30 June 2025. It shows the opening balance and closing balance for the year including any repayments on existing loans and new loans drawn down.

| Business Unit | Loan Name | Opening balance 1 July 2024 | Closing balance 30 June 2025 | Years remaining at 30 June 2025 |
|---------------------------|--------------------------------------------------------|--------------------------------|---------------------------------|------------------------------------|
| Water Supply Overheads | Water Supply Overheads | \$81,387 | \$74,207 | 8 |
| Water supply Kakapo | Replacement Tanks | \$22,508 | \$21,874 | 19 |
| Water supply Mount York | Water supply Mount York | \$6,563 | \$6,447 | 25 |
| Water supply Kakapo | Kakapo Consent Renewal | \$7,003 | \$5,991 | 5 |
| Water supply Homestead | Homestead Consent Renewal | \$19,358 | \$19,014 | 25 |
| Water Supply Overheads | Op Ex shortfall loan 2020/2021 | \$9,783 | \$0 | - |
| Water Supply Ramparts | Ramparts Consent Renewal and Pump 2020/2021 | \$38,224 | \$36,829 | 16 |
| Water Supply Takitimu | Takitimu Pump Motor | \$13,059 | \$12,582 | 16 |
| Water Supply Overheads | Sanitisation Investigation 2021/2022 | \$34,980 | \$34,442 | 27 |
| Water Supply Overheads | Water Supply Overheads Opex 2021/2022 | \$9,730 | \$0 | - |
| Water Supply Ramparts | Ramparts Water Supply consent renewal 2021/2022 | \$16,234 | \$15,356 | 12 |
| Water Supply Homestead | Homestead Water Supply Emergency Works 2021/2022 | \$39,719 | \$38,393 | 17 |
| Water Supply - Duncraigen | Duncraigen Water Supply Pump renewal 2021/2022 | \$11,436 | \$11,054 | 17 |
| Water Supply - Kakapo | Rising Main renewal 2022/2023 | \$282,694 | \$278,636 | 28 |
| Water Supply - Overheads | Water Supply Overheads Opex 2022/2023 | \$37,182 | \$19,104 | 1 |
| Water Supply - Overheads | Water Supply Overheads Opex 2023/2024 | \$89,315 | \$61,169 | 2 |
| Water Supply - Overheads | Water Supply Overheads Scheme Audit – Kakapo 2024/2025 | | \$66,333 | 30 |
| Water Supply - Overheads | Water Supply Overheads Opex 2024/2025 | | \$43,392 | 3 |
| Total | | \$719,175 | \$744,824 | |

5. Reserves

There are no reserves for the Te Anau Basin Water Supply.